

FOR IMMEDIATE RELEASE

Friday, June 30, 2006

Governor Barbour: State Will Pay 90 Percent
of Non-Federal Share of Debris Removal Costs

(Jackson, Mississippi) – Starting Saturday, the state will pay 90 percent of non-federal costs for removal of dry debris remaining in areas stricken by Hurricane Katrina, Governor Haley Barbour announced today.

Traditionally, the state of Mississippi and local governments have split the non-federal share of debris removal costs on a 50/50 basis. Governor Barbour estimated his decision would save local governments about \$4 million based on the amount of dry debris remaining.

“The unprecedented damage caused by Hurricane Katrina has led to unprecedented decisions on such critical activities as debris removal,” Governor Barbour said.

He noted that President Bush approved four extensions of 100 percent federal payment for debris removal and authorized a 90/10 federal/non-federal split starting July 1, instead of the more typical 75/25 split at this point into a disaster recovery. The President also authorized debris removal from private property and announced the federal government will pay 100 percent of costs to remove wet debris from the Mississippi Sound through May 15, 2007.

“Even though President Bush has generously reduced the non-federal cost-share, most of the remaining debris is in jurisdictions most impacted by lost tax revenue,” Governor Barbour said. “I hope substantially reducing the required local share will help them finish debris removal as quickly as possible and accelerate rebuilding.”

When all federal/non-federal cost sharing for debris removal is considered, the federal government will pay 90 percent, the state will pay 9 percent and local governments will pay 1 percent.

#